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> IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA RICHMOND DIVISION

- - - - - - - - - x In re: Chapter 11 CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH) <u>et</u> <u>al</u>., Debtors. : Jointly Administered - - - - - - - - - x

DEBTORS' MOTION FOR ORDER SHORTENING NOTICE PERIOD AND LIMITING NOTICE OF DEBTORS' MOTION FOR ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105 AND 363 (A) AUTHORIZING DEBTORS TO ENTER INTO AGREEMENT IN CONNECTION WITH SALE OF AIRCRAFT, SUBJECT TO HIGHER OR OTHERWISE BETTER BIDS, (B) APPROVING SALE OF AIRCRAFT FREE AND CLEAR OF ALL INTERESTS, AND (C) GRANTING RELATED RELIEF

The debtors and debtors in possession in the above-captioned jointly administered cases (collectively,

the "Debtors") hereby move this Court (the "Motion to Shorten Notice") for an order under section 102 of the title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002, 9006 and 9007 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules") approving shortened and limited notice for Debtors' motion for an order the pursuant to sections 105 and 363 of the Bankruptcy Code and Bankruptcy Rules 4001, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure for entry of an order (A) authorizing the Debtors to enter into an agreement for sale of the Debtors' Learjet aircraft (the "Aircraft") subject to higher or otherwise better proposals, (B) approving the sale of the Aircraft free and clear of all interests, and (C) granting related relief (the "Aircraft Sale Motion"). In support of the Motion to Shorten Notice, the Debtors respectfully represent as follows:

The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc.(6796), Sky Venture Corp. (0311), PRAHS, INC. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

JURISDICTION AND VENUE

- 1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.
- 2. The statutory predicates for the relief requested herein are Bankruptcy Code section 102 and Bankruptcy Rules 2002, 9006 and 9007.

BACKGROUND

- 3. On November 10, 2008 (the "Petition Date"), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code.
- 4. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.
- 5. On November 12, 2008, the Office of the United States Trustee for the Eastern District of Virginia appointed a statutory committee of unsecured creditors (the "Creditors' Committee"). To date, no trustee or examiner has been appointed in these chapter 11 cases.
- 6. On January 16, 2009, the Court authorized the Debtors, among other things, to conduct going out of

business sales at the Debtors' remaining 567 stores pursuant to an agency agreement (the "Agency Agreement") between the Debtors and a joint venture, as agent (the "Agent"). On January 17, 2009, the Agent commenced going out of business sales pursuant to the Agency Agreement at the Debtors remaining stores.

RELIEF REQUESTED

7. By this Motion to Shorten Notice, the Debtors request entry of an order shortening the notice period and limiting notice of the Aircraft Sale Motion so that it can be heard, considered and ruled upon by the Court at the omnibus hearing on February 13, 2009.

BASIS FOR RELIEF

- 8. Concurrently herewith, the Debtors filed the Aircraft Sale Motion, asking the Court to (A) authorize the Debtors to enter into an agreement in connection the sale of the Aircraft, subject to higher or otherwise better proposals, (B) approve the sale of the Aircraft free and clear of all interests, and (C) grant related relief.
- 9. The Debtors believe it is in the best interests of the Debtors' estates, creditors and other parties in interest for the Aircraft Sale Motion to be heard at the hearing currently scheduled for February 13, 2009 at

10:00 a.m. The Debtors are seeking authorization and approval of the Aircraft Sale Motion as soon as possible in order to save the Debtors continued accrual of administrative expenses, which in turn will maximize the benefits to the Debtors and their estates.

Moreover, the Debtors propose to provide 10. notice of the Aircraft Sale Motion to those parties who have requested notice pursuant to Bankruptcy Rule 2002 and the Core Group (as defined in the Order Pursuant to Bankruptcy Code Sections 102 and 105, Bankruptcy Rules 2002 and 9007, and Local Bankruptcy Rules 2002-1 and 9013-1 Establishing Certain Notice, Case Management, and Administrative Procedures (Docket No. 130; the "Case Management Order")), as well as (a) all entities known to have expressed an interest in a transaction regarding the Aircraft during the past three (3) months; and (b) all federal, state, and local regulatory or taxing authorities or recording offices that have a reasonably known interest in the relief requested through the Motion. The Debtors submit that, under the circumstances, no other or further notice need be given and in light of the circumstances, such notice is reasonably calculated to provide timely and adequate notice to the Debtors' major creditor constituencies, those parties most

interested in these cases, those parties potentially interested in bidding on the Aircraft and others whose interests are potentially implicated by the proposed Sale.

WAIVER OF MEMORANDUM OF LAW

11. Pursuant to Local Bankruptcy Rule 9013-1(G), and because there are no novel issues of law presented in the Motion to Shorten Notice and all applicable authority is set forth in the Motion to Shorten Notice, the Debtors request that the requirement that all motions be accompanied by a separate memorandum of law be waived.

NO PRIOR REQUEST

12. No previous request for the relief sought herein has been made to this Court or any other court.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court (i) enter an Order, substantially in the form annexed hereto, granting the relief requested herein, and (ii) such other and further relief as may be just and proper.

Dated: February 3, 2009
Richmond, Virginia

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[Proposed Order]

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> IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA RICHMOND DIVISION

- - - - - - - - - x

In re: : Chapter 11

CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)

et al.,

Debtors. : Jointly Administered

ORDER GRANTING DEBTORS' MOTION FOR ORDER SHORTENING NOTICE PERIOD AND LIMITING NOTICE OF DEBTORS' MOTION FOR ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105 AND 363 (A) AUTHORIZING DEBTORS TO ENTER INTO AGREEMENT IN CONNECTION WITH SALE OF AIRCRAFT, SUBJECT TO HIGHER OR OTHERWISE BETTER BIDS,

(B) APPROVING SALE OF AIRCRAFT FREE AND CLEAR OF ALL INTERESTS, AND (C) GRANTING RELATED RELIEF

Upon consideration of the Debtors' Motion for Order Shortening Notice Period and Limiting Notice (the "Motion") of Debtor's Motion for Order Pursuant to Bankruptcy Code
Sections 105 and 363 (A) Authorizing Debtors to Enter into
Agreement in Connection with Sale of Aircraft, Subject to
Higher or Otherwise Better Bids, (B) Approving Sale of
Aircraft Free and Clear of All Interets, and (C) Granting
Related Relief (the "Aircraft Sale Motion"); and the Court
having reviewed the Motion; and the Court having determined
that the relief requested in the Motion is in the best
interests of the Debtors, their estates, their creditors,
and other parties in interest; and it appearing that proper
and adequate notice of the Motion has been given and that no
other or further notice is necessary; and upon the record
herein; and after due deliberation thereon; and good and
sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED that:

- 1. The Motion is GRANTED.
- 2. Notice of the Aircraft Sale Motion is shortened so that it may be heard, considered and ruled upon by the Court at the hearing currently scheduled for February 13, 2009.
- 3. Notice of the Aircraft Sale Motion is limited to the parties as set forth in the Motion.
- 4. This Court will retain jurisdiction with respect to any dispute concerning the relief granted hereunder.

Dated: Richmond, Virginia February___, 2009

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

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CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley

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